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Draft Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area

Provisional text prepared by the Legal and Technical Commission

PART I - INTRODUCTION

Regulation 1

Use of terms

1. For the purposes of these regulations:

(a) "activities in the Area" means all activities of exploration for, and exploitation of, the resources of the Area;

(b) "Agreement" means the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982;

(c) "Area" means the seabed and ocean floor and subsoil thereof, beyond the limits of national jurisdiction;

(d) "Authority" means the International Seabed Authority;

(e) "coordinates" means a list of the geographical coordinates of points in accordance with the most recent generally accepted international standard used by the Authority;

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(f) "contractor" means a State or entity which has entered into a contract with the Authority to carry out activities in the Area and includes the Enterprise when it has entered into such a contract with the Authority;

(g) "Convention" means the United Nations Convention on the Law of the Sea of 10 December 1982;

(h) "Enterprise" means the organ of the Authority provided for in the Convention;

(i) "entity" means a natural or juridical person or persons or a group of such persons which possess the nationality of States Parties to the Convention or are effectively controlled by such States or their nationals, when sponsored by such States;

(j) "exploration" means a search for polymetallic nodules in the Area, including estimation of the composition, sizes and distributions of polymetallic nodule deposits and their economic values, information gathering, analysis, testing of equipment, plant and pilot mining systems and the carrying out of studies of the environmental, technical, economic, commercial and other appropriate factors which must be taken into account in exploitation;

(k) "marine environment" means the physical, chemical and biological components, conditions and factors which interact and determine the productivity, state, condition and quality of the marine ecosystem, including the coastal area, the waters of the seas and oceans and the airspace above those waters, as well as the seabed and ocean floor and subsoil thereof;

(l) "polymetallic nodules" means one of the resources of the Area consisting of any deposit of nodules, on or just below the surface of the deep seabed, which may contain, inter alia, manganese, nickel, cobalt and copper;

(m) "prospecting" means the initial stages of exploration without any exclusive right to explore an area or any rights with respect to resources;

(n) "provisional member" means a State or entity which is a member of the Authority on a provisional basis in accordance with subparagraph (a) of paragraph 12 of section 1 of the annex to the Agreement;

(o) "registered pioneer investor" means any State, State enterprise, or entity which has registered a claim with the Preparatory Commission for the International Seabed Authority and for the International Tribunal for the Law of the Sea pursuant to the regime for pioneer investors under resolution II of the Third United Nations Conference on the Law of the Sea;

(p) "reserved area" means the area reserved for the Authority in accordance with the Convention;

(q) "resources" means all solid, liquid or gaseous mineral resources in situ in the Area at or beneath the seabed, including polymetallic nodules;

(r) "Secretary-General" means the Secretary-General of the Authority;

(s) "serious harm to the marine environment" means any effect from activities in the Area on the living or non-living components of the marine environment and associated ecosystems which represent significant adverse changes in the living and non-living components of the marine and atmospheric environment, ecosystem diversity, or productivity and stability of the biological communities within the environment, and which has been assessed and judged to be unacceptable by the Authority on the basis of internationally recognized standards and the rules, regulations, procedures and guidelines adopted by the Authority;

(t) "State" means a State Party to the United Nations Convention on the Law of the Sea and includes States which are provisional members of the Authority.

2. In accordance with the Agreement, its provisions and Part XI of the Convention are to be interpreted and applied together as a single instrument; these regulations and references in these regulations to the Convention are to be interpreted and applied accordingly.

PART II - NOTIFICATION OF PROSPECTING

Regulation 2

Prospecting

1. Prospecting shall be conducted in accordance with the Convention and these regulations and may commence only after the prospector has been informed by the Secretary-General that its notification has been recorded pursuant to regulation 4, paragraph 2.

2. Prospecting may not be undertaken in an area covered by an approved plan of work or in a reserved area.

3. Prospecting shall not confer on the prospector any rights with respect to resources. A prospector may, however, recover a reasonable quantity of minerals to be used for testing, and not for commercial use.

4. Prospecting shall be without time limit.

5. Prospecting may be conducted simultaneously by more than one prospector in the same area or areas.

Regulation 3

Notification of prospecting

1. A proposed prospector shall notify the Authority of its intention to engage in prospecting.

2. Every notification of prospecting shall be in the form prescribed in annex 1, addressed to the Secretary-General, and shall conform to the requirements of these regulations.

3. Notifications shall be submitted:

(a) in the case of a State, by the authority designated for that purpose by it;

(b) in the case of an entity, by its designated representative or the authority designated for that purpose by the sponsoring State or States; and

(c) in the case of the Enterprise, by its competent authority.

4. Every notification shall be in one of the languages of the Authority and shall contain:

(a) the name, nationality and address of the proposed prospector and its designated representative;

(b) the coordinates of the approximate area or areas within which prospecting is to be conducted;

(c) a general description of the prospecting programme including the date of commencement and its approximate duration;

(d) a satisfactory written undertaking that the proposed prospector will:

(i) comply with the Convention and the relevant rules, regulations and procedures of the Authority concerning:

a. cooperation in the training programmes in connection with marine scientific research and transfer of technology referred to in articles 143 and 144 of the Convention; and

b. protection of the marine environment; and

(ii) accept verification by the Authority of compliance therewith.

Regulation 4

Consideration of notifications

1. The Secretary-General shall acknowledge in writing receipt of every notification submitted under regulation 3, specifying the date of receipt.

2. The Secretary-General shall, within 30 days of receipt of the notification, inform the proposed prospector if the notification includes any part of an area included in an approved plan of work, or any part of a reserved area, or any part of an area disapproved for exploration and exploitation by the Council in cases where substantial evidence indicates the risk of serious harm to the marine environment, or if the written undertaking is not satisfactory. The Secretary-General shall also inform the proposed prospector if the notification includes any part of an area included in a previous notification. The proposed prospector may amend its notification.

3. If the notification conforms with the requirements of the Convention and these regulations, the Secretary-General shall, within 45 days of receipt of the notification, record the particulars of the notification in a register maintained for that purpose and shall inform the prospector that the notification has been so recorded. The Secretary-General shall not release any particulars contained in the notification, including details of the identity of the prospector, except with the written consent of the prospector. The Secretary-General shall, however, from time to time inform all members of the Authority of the areas in which prospecting is being conducted.

Regulation 5

Annual report

1. A prospector shall inform the Secretary-General of any change in the information contained in the notification.

2. A prospector shall, within 90 days of the end of each calendar year, submit a report to the Authority on the status of prospecting. Such reports shall be submitted by the Secretary-General to the Legal and Technical Commission. Every report shall contain:

(a) a general description of the status of prospecting and the main results obtained;

(b) information on compliance with the undertakings referred to in regulation 3, paragraph (4)(d); and

(c) observations on any activities affecting safety at sea and accommodation with other marine activities.

3. The Secretary-General shall ensure the confidentiality of all data and information contained in the reports submitted under this regulation and shall act in accordance with such measures as may be adopted to protect the confidentiality of proprietary information. The Legal and Technical Commission may, with the consent of the prospector concerned, authorize the Secretary-General to release data and information relating to prospecting in an area in respect of which a notification has been submitted when such prospecting has come to an end.

PART III - APPLICATIONS FOR APPROVAL OF PLANS OF WORK FOR EXPLORATION TO OBTAIN A CONTRACT

SECTION 1 - GENERAL PROVISIONS

Regulation 6

General

Subject to the provisions of the Convention, the following may apply to the Authority for approval of plans of work for exploration:

(a) the Enterprise, on its own behalf or in a joint arrangement;

(b) States, state enterprises or natural or juridical persons which possess the nationality of States or are effectively controlled by them or their nationals, when sponsored by such States, or any group of the foregoing which meets the requirements of these regulations.[1]

Regulation 7

Applications for approval of plans of work with respect to a reserved area

1. Any State which is a developing State or any natural or juridical person sponsored by it and effectively controlled by it or by any other developing State, or any group of the foregoing, may notify the Authority that it wishes to submit a plan of work with respect to a reserved area. The Secretary-General shall forward such notification to the Enterprise, which shall decide whether it intends to carry out activities in that reserved area.

2. An application for approval of a plan of work in respect of a reserved area may be submitted at any time after such an area becomes available following a decision by the Enterprise that it does not intend to carry out activities in that area or where the Enterprise has not, within six months of the notification by the Secretary-General, taken a decision on whether it intends to carry out activities in that area.

3. If the Enterprise or a developing State or one of the entities referred to in paragraph 1 does not submit an application for approval of a plan of work for activities in a reserved area within 15 years of the commencement by the Enterprise of its functions independent of the Secretariat of the Authority or within 15 years of the date on which that area is reserved for the Authority, whichever is the later, the contractor which contributed the area shall be entitled to apply for a plan of work for that area provided it offers in good faith to include the Enterprise as a joint-venture partner.

4. A contractor which has contributed a particular area to the Authority as a reserved area has the right of first refusal to enter into a joint venture arrangement with the Enterprise for exploration of that area.

SECTION 2 - CONTENT OF APPLICATIONS

Regulation 8

Form of applications

1. Every application for approval of a plan of work shall be in the form prescribed in annex 2, addressed to the Secretary-General, and shall conform to the requirements of these regulations.[2] All data and information required as part of the application shall be submitted in digital format in the manner prescribed by the Authority, if any.

2. Applications shall be submitted:

(a) in the case of a State, by the authority designated for that purpose by it;

(b) in the case of an entity, by its designated representative or the authority designated for that purpose by the sponsoring State or States; and

(c) in the case of the Enterprise, by its competent authority.

3. Every application shall contain the name, nationality and address of the applicant and its designated representative. An application by a state enterprise or one of the entities referred to in subparagraph (b) of regulation 6 shall also contain:

(a) sufficient information to determine the nationality of the applicant or the name of the State or States by which the applicant is effectively controlled; and

(b) the principal place of business, domicile and place of registration of the applicant.

4. An application submitted by a partnership or consortium of entities shall contain the required information in respect of each member of the partnership or consortium.

Regulation 9

Certificate of sponsorship

1. Every application by a state enterprise or one of the entities referred to in subparagraph (b) of regulation 6 shall be accompanied by a certificate of sponsorship issued by the State of which it is a national or by which or by whose nationals it is effectively controlled.[3] If the applicant has more than one nationality, as in the case of a partnership or consortium of entities from more than one State, each State involved shall issue a certificate of sponsorship.

2. Where the applicant has the nationality of one State but is effectively controlled by another State or its nationals, each State involved shall issue a certificate of sponsorship.

3. Every certificate of sponsorship shall be duly signed on behalf of the State by which it is submitted and shall contain:

(a) the name of the applicant;

(b) the name of the sponsoring State;

(c) a statement that the applicant is:

(i) a national of the sponsoring State; or

(ii) subject to the effective control of the sponsoring State or its nationals;

(d) a statement by the sponsoring State that it sponsors the applicant;

(e) the date of deposit by the sponsoring State of its instrument of ratification of, or accession or succession to, the Convention and its consent to be bound by the Agreement or a statement that it is a member of the Authority on a provisional basis;

(f) a declaration that the sponsoring State assumes responsibility in accordance with article 139, article 153, paragraph 4, and annex III, article 4, paragraph 4, of the Convention.

4. States or entities in a joint arrangement with the Enterprise shall also comply with this regulation.

Regulation 10

Financial and technical capabilities

1. Every application for approval of a plan of work for exploration shall contain specific and sufficient information to enable the Council to determine whether the applicant is financially and technically capable of carrying out the proposed plan of work and of fulfilling its financial obligations to the Authority.[4]

2. An application for approval of a plan of work for exploration submitted on behalf of a State or entity, or any component of such entity, referred to in resolution II, paragraph 1(a)(ii) or (iii), other than a registered pioneer investor, which has already undertaken substantial activities in the Area prior to the entry into force of the Convention, or its successor in interest, shall be considered to have met the financial and technical qualifications necessary for approval of a plan of work if the sponsoring State or States certify that the applicant has expended an amount equivalent to at least US$ 30 million in research and exploration activities and has expended no less than 10 per cent of that amount in the location, survey and evaluation of the area referred to in the plan of work.

3. An application by the Enterprise shall include confirmation by its competent authority of the availability of funds to meet the estimated costs of the proposed plan of work.

4. An application by a State or a state enterprise, other than a registered pioneer investor or an entity referred to in resolution II, paragraph 1(a)(ii) or (iii), shall include a statement by the State or the sponsoring State certifying that the applicant has the necessary financial resources to meet the estimated costs of the proposed plan of work.

5. An application by an entity, other than a registered pioneer investor or an entity referred to in resolution II, paragraph 1(a)(ii) or (iii), shall include copies of its audited financial statements, including balance sheets and profit-and-loss statements, for the most recent three years; and

(a) if the applicant is a newly organized entity and an audited balance sheet is not available, a pro forma balance sheet certified by an appropriate official of the applicant;

(b) if the applicant is a subsidiary of another entity, copies of such financial statements of that entity;

(c) if the applicant is controlled by a State or state enterprise, a statement from the State or state enterprise that the applicant will have the financial resources to carry out the plan of work.

6. Where an applicant referred to in paragraph 5 intends to finance the proposed plan of work in whole or in part by borrowings, its application shall include the amount of such borrowings, the repayment period and the interest rate.

7. Except as provided for in paragraph 2, all applications shall include:

(a) a general description of the applicant's previous experience, knowledge, skills, technical qualifications and expertise relevant to the proposed plan of work; and

(b) a general description of the equipment and methods expected to be used in carrying out the proposed plan of work and other relevant non-proprietary information about the characteristics of such technology.

8. Where the applicant is a partnership or consortium of entities in a joint arrangement, each member of the partnership or consortium shall provide the information required by this article.

Regulation 11

Previous contracts with the Authority

Where the applicant or, in the case of an application by a partnership or consortium of entities in a joint arrangement, any member of the partnership or consortium has previously been awarded any contract with the Authority, the application shall include:

(a) the date of the previous contract or contracts;

(b) the dates and titles of any reports submitted to the Authority in connection with the contract or contracts; and

(c) the date of termination of the contract or contracts, if applicable.

Regulation 12

Undertakings

Every applicant, without exception, shall, as part of its application for approval of a plan of work for exploration, provide a written undertaking to the Authority that it will:

(a) accept as enforceable and comply with the applicable obligations created by the provisions of the Convention and the rules, regulations,

procedures and guidelines of the Authority, the decisions of the organs of the Authority and the terms of its contracts with the Authority;

(b) accept control by the Authority of activities in the Area, as authorized by the Convention; and

(c) provide the Authority with a written assurance that its obligations under the contract will be fulfilled in good faith.[5]

Regulation 13

Total area covered by the application

Every application shall define the boundaries of the area under application by a list of coordinates and applications other than those under regulation 7 shall cover a total area, which need not be a single continuous area, sufficiently large and of sufficient estimated commercial value to allow two mining operations. The applicant shall indicate the coordinates dividing the area into two parts of equal estimated commercial value. The area to be allocated to the applicant shall be subject to the provisions of regulation 21.

Regulation 14

Data and information to be submitted before the designation of a reserved area

1. Every application shall contain sufficient data and information, as prescribed in annex 2, with respect to the area under application to enable the Council, on the recommendation of the Legal and Technical Commission, to designate a reserved area based on the estimated commercial value of each part. Such data and information shall include data available to the applicant with respect to both parts of the area under application, including the data used to determine their commercial value.

2. The Council, on the basis of the data and information submitted by the applicant, if found satisfactory, and taking into account the recommendation of the Legal and Technical Commission, shall designate the part of the area under application which is to be a reserved area. The area so designated shall become a reserved area as soon as the plan of work for the non-reserved area is approved and the contract is signed.

Regulation 15

Data and information to be submitted for approval of the plan of work[6]

After the Council has designated the reserved area, the applicant, if it has not already done so, shall submit, with a view to receiving approval of the plan of work for exploration in the form of a contract, the following information:

(a) a general description and a schedule of the proposed exploration programme including the programme of work for the immediate future such as studies to be undertaken in respect of the environmental, technical, economic and other appropriate factors which must be taken into account in exploration;

(b) a description of a programme for oceanographic and environmental baseline studies in accordance with these regulations and guidelines issued by the Authority which would enable an assessment of the potential environmental impact of the proposed activities;

(c) data which enable the Legal and Technical Commission to make the determination it is required to make in accordance with regulation 10, paragraphs 4, 5 and 6;

(d) a schedule of anticipated yearly expenditures in respect of the programme of work for the immediate future.

SECTION 3 - FEES

Regulation 16

Fee for applications

1. The fee for processing applications for approval of a plan of work for exploration shall be US$ 250,000 or its equivalent in freely convertible currency. The fee shall be paid to the Authority by the applicant at the time of submitting an application.[7]

2. The amount of the fee shall be reviewed from time to time by the Council in order to ensure that it covers the administrative costs incurred by the Authority in processing the application.

3. If the administrative costs incurred by the Authority in processing the application are less than the fixed amount, the Authority shall refund the difference to the applicant.

SECTION 4 - PROCESSING OF APPLICATIONS

Regulation 17

Receipt, acknowledgement and safe custody of applications

The Secretary-General shall:

(a) acknowledge in writing receipt of every application for approval of a plan of work for exploration submitted under this Part, specifying the date of receipt;

(b) notify the members of the Authority and the members of the Legal and Technical Commission of the receipt of such application and circulate to them information of a general nature which is not confidential regarding the application;

(c) place the application together with the attachments and annexes thereto in safe custody and ensure the protection of the confidentiality of all data and information contained in the application.

Regulation 18

Consideration by the Legal and Technical Commission[8]

1. Upon receipt of an application, the Secretary-General shall include an item relating to consideration of the application on the agenda for the next meeting of the Legal and Technical Commission.

2. The Commission shall examine applications in the order in which they are received.

3. The Commission shall ascertain whether the applicant:

(a) has complied with the procedures established in these regulations;

(b) has given the undertakings and assurances specified in regulation 12;

(c) possesses the financial and technical capabilities to carry out the proposed plan of work; and

(d) has satisfactorily discharged its obligations under any previous contract with the Authority.

4. The Commission shall determine whether the proposed plan of work:

(a) is in accordance with the requirements set forth in these regulations and any guidelines issued by the Authority;

(b) will provide for effective protection of human health and safety;

(c) will provide for the effective protection of the marine environment from harmful effects which may arise from the activities;

(d) will ensure that installations will not interfere with the use of recognized sea lanes essential to international navigation or other established maritime activities in the area.

5. In discharging its duties described in paragraphs 3 and 4, the Commission shall apply these regulations in a uniform and non-discriminatory manner. It shall protect the confidentiality of all data and information contained in all applications submitted to it and shall abide by the provisions of article 163, paragraph 8, of the Convention.

6. The Commission shall not recommend approval of the plan of work if:

(a) part or all of the area covered by the proposed plan of work is included in an approved plan of work or a proposed plan of work previously submitted by a different applicant which has not yet been decided upon by the Council; or

(b) part or all of the area covered by the proposed plan of work is included in an area disapproved for exploitation by the Council in cases where substantial evidence indicates the risk of serious harm to the marine environment; or

(c) the proposed plan of work has been submitted or sponsored by a State which already holds:

(i) plans of work for exploration and exploitation or exploitation only in non-reserved areas that, together with either part of the area covered by the application, exceed in size 30 per cent of a circular area of 400,000 square kilometres surrounding the centre of either part of the area covered by the proposed plan of work;

(ii) plans of work for exploration and exploitation or exploitation only in non-reserved areas which, taken together, constitute 2 per cent of that part of the Area which is not reserved or disapproved for exploitation pursuant to article 162, paragraph (2) (x), of the Convention.

7. Except in the case of applications under regulation 7, the Commission shall not recommend approval of the plan of work if part or all of the area covered by

the proposed plan of work is included in a reserved area or an area designated by the Council to be a reserved area.

8. If the Commission finds that an applicant has not complied with these regulations or that an application is otherwise incomplete or defective, it shall notify the applicant, indicating the reasons why the application is incomplete or defective. The applicant may, within 45 days of such notification, amend its application.

9. In reviewing a proposed plan of work, the Commission shall take into account the policies and objectives relating to activities in the Area as provided for in Part XI and annex III of the Convention and the Agreement.

10. The Commission shall consider applications expeditiously and shall submit its report and recommendations to the Council on the designation of the areas and on the plan of work at the first possible opportunity taking into account the schedule of meetings of the Authority.

Regulation 19

Consideration by the Council

The Council shall consider the reports and recommendations of the Legal and Technical Commission relating to approval of plans of work in accordance with the special procedure set out in its rules of procedure.[9]

PART IV - CONTRACTS FOR EXPLORATION

Regulation 20

The contract

1. After a plan of work has been approved by the Council, it shall be prepared in the form of a contract between the Authority and the applicant. The contract shall be executed by the Secretary-General on behalf of the Authority and by the applicant.

2. The Secretary-General shall notify all members of the Authority of the conclusion of each contract.

3. The contractor shall have the exclusive right to explore the area covered by the plan of work in respect of polymetallic nodules. The Authority shall ensure that no other entity operates in the same area for a different category of resources in a manner which might interfere with the operations of the contractor.

4. In accordance with the principle of non-discrimination, a contract with a State or entity or any component of such entity referred to in paragraph 6(a)(i) of section 1 of the annex to the Agreement shall include arrangements which shall be similar to and no less favourable than those agreed with any registered pioneer investor.

5. A contractor which has an approved plan of work for exploration only shall have priority among applicants submitting plans of work for exploitation of the same area or resources. Such priority may be withdrawn if the contractor has failed to comply with the requirements of its approved plan of work in spite of a written warning or warnings from the Authority to the contractor to comply therewith.

Regulation 21

Size of area and relinquishment

1. The total area allocated to the contractor under the contract shall not exceed 150,000 square kilometres. The contractor shall relinquish portions of the area allocated to revert to the Area, in accordance with the following schedule:

(a) 20 per cent of the area allocated by the end of the third year from the date of the contract;

(b) an additional 10 per cent of the area allocated by the end of the fifth year from the date of the contract; and

(c) an additional 20 per cent of the area allocated or such larger amount as would exceed the exploitation area decided upon by the Authority, after eight years from the date of the contract.

2. The contractor shall be deemed to have fulfilled the requirements of relinquishment provided that the total area allocated to it, upon approval of a plan of work, does not exceed 75,000 square kilometres.

3. In the case of a registered pioneer investor the contract shall take into account the schedule of relinquishment, where applicable, in accordance with the terms of its registration as a registered pioneer investor.

4. The Council may, at the request of the contractor, in exceptional circumstances, defer the schedule of relinquishment by a period or periods not exceeding a total of two years.

5. Notwithstanding the provisions of paragraphs 1 and 2, the Authority may determine the appropriate size of areas for exploration in accordance with article 17, paragraph (2)(a), of annex III of the Convention.

Regulation 22

Duration of contracts

1. A plan of work for exploration shall be approved for a period of 15 years. Upon expiration of a plan of work for exploration, the contractor shall apply for a plan of work for exploitation unless the contractor has already done so, has obtained an extension for the plan of work for exploration or decides to renounce its rights in the area covered by the plan of work for exploration.

2. A contractor may apply for extensions for the plan of work for exploration for periods of not more than five years each. Such extensions shall be approved by the Authority if the contractor has made efforts in good faith to comply with the requirements of the plan of work but for reasons beyond the contractor's control has been unable to complete the necessary preparatory work for proceeding to the exploitation stage or if the prevailing economic circumstances do not justify proceeding to the exploitation stage.

Regulation 23

Training

The contractor, in cooperation with the Authority, shall draw up practical programmes for the training of personnel of the Authority and developing States, including the participation of such personnel in all activities in the Area which are covered by the contract and shall revise and develop such programmes as appropriate.

Regulation 24

Terms and conditions for the protection and preservation of the marine environment

1. The Authority shall establish and keep under review environmental guidelines in order to ensure the protection and preservation of the marine environment. The Authority shall develop procedures for the establishment of environmental baselines against which to assess the likely effects on the marine environment of activities in the Area.

2. Every contract shall require the contractor, in cooperation with the Authority and the sponsoring State or States, to establish environmental baselines against which to assess the likely effects of its programme of work on the marine environment and a programme to monitor and report on such effects. The contractor shall cooperate with the Authority in the implementation of such monitoring programmes.

3. The contractor shall report from time to time to the Secretary-General on the implementation and results of the monitoring programme referred to in paragraph 2 and shall submit data and information in accordance with the guidelines and procedures established by the Authority. The Secretary-General shall transmit such reports to the Legal and Technical Commission for its consideration pursuant to article 165 of the Convention.

4. Contractors, sponsoring States and other interested States or entities shall cooperate with the Authority in the implementation of environmental monitoring programmes and the evaluation of environmental baseline studies.

5. Prior to the commencement of pilot mining and processing operations, the contractor shall submit:

(a) a site-specific environmental impact statement based on available meteorological, oceanographic and environmental data collected during the preceding phases of exploration and containing data that could be used to establish an environmental baseline against which to assess the likely effect of the mining tests;

(b) an assessment of the effects on the marine environment of the proposed mining tests, especially of:

(i) the nodule collector in and near the mining tracks;

(ii) the sediment plumes on benthic life, and its food supply, away from the mining activity; and

(iii) the sediment plumes, their drifting and their effect on phytoplankton, zooplankton, fish larvae and other biota;

(c) a proposal for a monitoring programme to determine the effect on the marine environment of the equipment that will be used during the proposed mining tests.

6. Before proceeding to exploitation, the contractor, in consultation with the Authority, shall propose areas to be set aside and used exclusively as impact reference zones and preservation reference zones. For the purposes of these regulations the term "impact reference zones" means areas to be used for assessing the effect of each contractor's activities in the Area on the marine environment and which are representative of the environmental characteristics of the area. "Preservation reference zones" means areas in which no mining shall occur to ensure representative and stable biota of the seabed in order to assess any changes in the flora and fauna of the marine environment.

Regulation 25

Rights and legitimate interests of coastal States

1. Any coastal State which has clear grounds for believing that any activity in the Area by a contractor is likely to cause serious harm to the marine environment under its jurisdiction or sovereignty may notify the Secretary-General and request that the Secretary-General take such necessary action as may be within the competence of the Secretary-General to prevent such serious harm.

2. Upon receipt of such notification, the Secretary-General shall notify the contractor and the sponsoring State or States, as well as other States that could be affected, and transmit the notification to the Legal and Technical Commission and the Council. The Secretary-General shall transmit any response by the contractor to the notification to the coastal State and to the Legal and Technical Commission and the Council.

Regulation 26

Emergency orders

1. The contractor shall promptly report to the Secretary-General any incident arising from its activities which are likely to cause serious harm to the marine environment. Each such report shall contain the details of such incident, including, inter alia:

(a) the coordinates of the area affected or which can reasonably be anticipated to be affected;

(b) the description of the action being taken by the contractor to prevent, contain, minimize and repair the serious harm to the marine environment;

(c) a description of the action being taken by the contractor to monitor the effects of the incidents on the marine environment; and

(d) such other information as may be required.

2. In the event that the Secretary-General is notified of an incident causing serious harm to the marine environment arising from a contractor's activities in the Area, he shall report immediately to the Council and the Legal and Technical Commission.

3. The Commission shall meet as soon as possible after having received the Secretary-General's report and shall consider, taking into account the measures already taken by the contractor, which measures are necessary to respond

effectively to the accident and to contain, minimize and repair the serious harm. It shall make recommendations to the Council.

4. The Council shall meet as soon as possible to consider the recommendations of the Commission.

5. The Council, taking into account the recommendations of the Commission, may issue emergency orders which may include orders for the suspension or adjustment of operations, to prevent serious harm to the marine environment arising out of activities in the Area.

6. Pending any action by the Council the Secretary-General may take any immediate measures of a temporary nature, which should be practical and reasonable in the circumstances, to prevent serious harm to the marine environment.

7. If a contractor does not promptly comply with an emergency order to prevent serious harm to the marine environment arising out of its activities in the Area, the Council may take by itself or through arrangements with others on its behalf, such measures as are necessary to prevent and contain, minimize or repair any such serious harm to the marine environment.

Regulation 27

Safety, labour and health standards

1. Every contractor shall comply with the applicable international regulations concerning the safety of life at sea and the prevention of collisions and such rules, regulations and guidelines as may be adopted by the Auth rity relating to safety at sea.

2. Every vessel used for carrying out activities in the Area shall possess current valid certificates issued under relevant international conventions for safety of life at sea.

3. Every contractor shall, in carrying out activities in the Area, observe and comply with such rules, regulations and guidelines as may be adopted by the Authority relating to protection against discrimination in employment, occupational safety and health, labour relations, social security, employment security and living conditions at the work site. Such rules and regulations shall take into account conventions and recommendations of the International Labour Organization and other competent international organizations.

Regulation 28

Reporting

1. The contractor shall, within 90 days of the end of each year, submit a report to the Secretary-General. Each such report shall contain:

(a) details of all the exploration work carried out during the reporting period;

(b) a list describing each location where a mineral sample was taken, each location where a geoscientific profile was taken and the depth of water at each place where exploration work was carried out;

(c) a chart of appropriate size and at a scale that allows the locations at which mineral samples and geoscientific profiles were taken during the exploration work to be clearly identified;

(d) the results of observations, measurements, evaluations and analyses of environmental parameters;

(e) copies of any maps, logs and records associated with, or necessary to interpret, the report;

(f) details of the equipment used to carry out the exploration work;

(g) information on the implementation of training programmes, including any revisions to or developments of such programmes;

(h) a statement, certified by an internationally recognized firm of public accountants, of the actual and direct costs incurred by the contractor in carrying out the programme of work during the reporting period if such expenditure is to be subsequently claimed as part of the development cost;

(i) such other data and information as the Authority may request from time to time which are necessary for and relevant to the effective exercise of the powers and functions of the principal organs of the Authority.

2. The contractor shall also submit additional reports to the Authority in such form, in such detail and at such times as the Authority may from time to time reasonably require.

3. All data and information submitted in accordance with this regulation shall be treated as confidential and, except for proprietary information, shall become the property of the Authority.

Regulation 29

Transfer of data

1. The contractor shall transfer to the Authority all data which are both necessary for and relevant to the effective exercise of the powers and functions of the Authority in respect of the area covered by the plan of work. Transferred data in respect of the area covered by the plan of work, deemed proprietary, may only be used for the purposes set forth in article 14 of annex III of the Convention.

2. Upon expiration of a plan of work for exploration the contractor shall submit the following data and information to the Authority:

(a) copies of all geological data, environmental data, geochemical and geophysical data acquired by the contractor in the course of carrying out the programme of work;

(b) copies of all geological, technical, financial and economic reports made by or for the contractor, including interpretations concerning the mineral prospects in the area covered by the plan of work;

(c) a list describing each location where a mineral sample was taken, each location where a geoscientific profile was taken and the depth of water at each place where exploration work was carried out;

(d) a chart of appropriate size and at a scale that allows the locations at which mineral samples and geoscientific profiles were taken during the exploration work to be clearly identified;

(e) copies of any other related data recorded by the contractor in connection with the programme of work;

(f) details of the equipment used to carry out the exploration work;

(g) a statement of the quantity of polymetallic nodules recovered as samples or for the purpose of testing.

3. The data and information in paragraph 2 shall also be submitted to the Authority if, prior to the expiration of the plan of work for exploration, the contractor applies for approval of a plan of work for exploitation or if the contractor renounces its rights in the area covered by the plan of work for exploration.

4. The contractor shall deliver to the Authority upon request and without charge, copies of any additional data or reports obtained or compiled by the contractor, including interpretations as a result of its operations.

5. The contractor shall keep, in good condition, a representative portion of every sample obtained in the course of exploration until the expiration of the plan of work for exploration. The Authority may request the contractor in writing to deliver to it for analysis a portion of any sample obtained during the course of exploration.

6. All data and information submitted in accordance with this regulation shall be treated as confidential and, except for proprietary information, shall become the property of the Authority. The Secretary-General shall adopt appropriate measures to protect the confidentiality of confidential data and information and shall not, except with the prior written consent of the contractor, release such data and information to any person external to the Authority. Confidential data and information submitted in accordance with this regulation shall remain confidential for a period of 30 years from the date upon which they are submitted to the Authority; thereafter their release shall be solely at the discretion of the Authority.

Regulation 30

Periodic review of the programme of work

The contractor and the Authority shall jointly undertake a periodic review of the programme of work under the contract at intervals of five years. For the purposes of the review, the Authority may request the contractor to submit such additional data and information as may be required. The contractor may make such adjustments to its programme of work as are necessary in the light of the review and shall indicate its likely programme of work for the following period.

Regulation 31

Inspectors

1. The contractor shall permit the Authority to send inspectors on board vessels and installations used by the contractor to carry out activities in the Area in order to:

(a) ensure compliance with the terms and conditions of the contract and these regulations; and

(b) monitor the effects of such activities on the marine environment.

2. The Secretary-General shall give reasonable notice to the contractor of the projected time and duration of inspections and any activities the inspector is to perform that are likely to require the availability of special equipment or special assistance from personnel of the contractor.

3. Such inspectors shall have the authority to inspect any vessel or installation, including its log, equipment, records, facilities, all other recorded data and any relevant documents which are necessary to monitor the contractor's compliance.

4. The contractor, its agents and employees shall assist the inspectors in the performance of their duties and shall:

(a) accept and facilitate prompt and safe boarding of vessels and installations by inspectors;

(b) cooperate with and assist in the inspection of any vessel or installation conducted pursuant to these procedures;

(c) provide access to all relevant equipment, facilities and personnel on vessels and installations at all reasonable times;

(d) not obstruct, intimidate or interfere with inspectors in the performance of their duties;

(e) provide reasonable facilities, including, where appropriate, food and accommodation, to inspectors; and

(f) facilitate safe disembarkation by inspectors.

5. Inspectors shall avoid interference with the safe and normal operations on board vessels and installations used by the contractor to carry out activities in the area visited and shall act in accordance with measures adopted to protect the confidentiality of data and proprietary information.

Regulation 32

Renunciation of areas

The contractor shall have the right at any time to renounce without penalty the whole or part of its rights in the area covered by a plan of work. A contractor shall not be discharged by reason of such renunciation from the financial and contractual obligations accrued while it was a contractor, nor shall such renunciation affect any legal rights and obligations created during the contract period.

Regulation 33

Termination of contracts and penalties

1. A contractor's rights under the contract may be suspended or terminated only in the following cases:

(a) if, in spite of written warnings by the Authority, the contractor has conducted its activities in such a way as to result in serious persistent and wilful violations of the fundamental terms of the contract, Part XI of the Convention, the Agreement and the rules, regulations and procedures of the Authority; or

(b) if the contractor has failed to comply with a final binding decision of the dispute settlement body applicable to it; or

(c) if the contractor becomes insolvent or commits an act of bankruptcy or enters into any agreement for composition with its creditors or goes into liquidation or receivership, whether compulsorily or voluntarily, or petitions or applies to any tribunal for the appointment of a receiver or a trustee or receiver for itself under any bankruptcy, insolvency or readjustment of debt law, other than for the purpose of reconstruction.

2. In the case of any violation of the contract not covered by paragraph 1(a), or in lieu of suspension or termination under paragraph 1(a), the Authority may impose upon the contractor monetary penalties proportionate to the seriousness of the violation.

3. Except for emergency orders under article 162, paragraph 2(w), of the Convention, the Authority may not execute a decision involving monetary penalties, suspension or termination until the contractor has been accorded a reasonable opportunity to exhaust the judicial remedies available to it pursuant to Part XI, section 5, of the Convention.

4. A contractor shall not be discharged by reason of termination of contract from the financial and contractual obligations accrued while it was a contractor, nor shall such termination affect any legal rights and obligations created during the contract period.

Regulation 34

Termination of sponsorship

1. Every contractor shall have the required sponsorship throughout the period of the contract.

2. If a State terminates its sponsorship it shall promptly notify the Secretary-General in writing. Termination of sponsorship shall take effect six months after the date of receipt of the notification by the Secretary-General, unless the notification specifies a later date. The sponsoring State may inform the Secretary-General of the reasons for terminating its sponsorship.

3. In the event of termination of sponsorship the contractor shall, within the period referred to in paragraph 2, obtain another sponsor. Such sponsor shall submit a certificate of sponsorship in accordance with regulation 10. Failure to obtain a sponsor within the required period shall result in the termination of the contract.

4. A sponsoring State shall not be discharged by reason of the termination of its sponsorship from the financial and contractual obligations accrued while it was a sponsoring State, nor shall such termination affect any legal rights and obligations created during such sponsorship.

5. The Secretary-General shall notify the members of the Authority of the termination or change of sponsorship.

Regulation 35

Sponsorship by provisional members

An approved plan of work for exploration in the form of a contract for exploration sponsored by a State which was a member of the Authority on a provisional basis shall terminate if such membership ceases and the State concerned has not become a State Party to the Convention and the Agreement.

Regulation 36

Revision of contract

1. When circumstances have arisen or are likely to arise which in the opinion of either party would render the contract inequitable or make it impracticable or impossible to achieve the objectives set out in the contract or in Part XI of the Convention and the Agreement, the parties shall enter into negotiations to revise it accordingly.

2. Any contract entered into in accordance with article 153, paragraph 3, of the Convention may be revised only with the consent of the parties.

Regulation 37

Transfer of rights and obligations

The rights and obligations arising under a contract may be transferred only with the consent of the Authority, and in accordance with its rules, regulations and procedures. The Authority shall not unreasonably withhold consent to the transfer if the proposed transferee is in all respects a qualified applicant and assumes all of the obligations of the transferor and if the transfer does not confer to the transferee a plan of work, the approval of which would be forbidden by regulation 18, paragraph 6(c).

Regulation 38

Applicable law

1. The contract shall be governed by the terms of the contract, the rules, regulations and procedures of the Authority, Part XI of the Convention, the Agreement and other rules of international law not incompatible with the Convention.

2. Any final decision rendered by a court or tribunal having jurisdiction under the Convention relating to the rights and obligations of the Authority and of the contractor shall be enforceable in the territory of each State Party to the Convention and provisional member of the Authority.

3. No State may impose conditions on a contractor that are inconsistent with Part XI of the Convention and the Agreement. However, the application by a State to contractors sponsored by it, or to ships flying its flag, of environmental or other laws and regulations more stringent than those in the rules, regulations and procedures of the Authority shall not be deemed inconsistent with Part XI of the Convention and the Agreement.

Regulation 39

Responsibility and liability

1. The contractor shall have responsibility or liability for any damage arising out of wrongful acts in the conduct of its operations, account being taken of contributory acts or omissions by the Authority. Similarly, the Authority shall have responsibility or liability for any damage arising out of wrongful acts in the exercise of its powers and functions, including violations under article 168, paragraph 2, of the Convention, account being taken of contributory acts or omissions by the contractor. Liability in every case shall be for the actual amount of damage.

2. The contractor shall maintain such insurance policies with internationally recognized carriers, in such form, against such risks and in such amounts as the Authority may reasonably require.

3. Responsibility of States and, as appropriate, of international organizations to ensure that activities in the Area shall be carried out in conformity with the Convention shall be governed by article 139 of the Convention.

4. Liability of States, international organizations, entities or contractors for failure to carry out their responsibilities or for damage arising out of wrongful acts or omissions shall be governed by article 139 and annex III, articles 4 and 22, of the Convention.

5. States, state enterprises and international organizations which undertake activities in the Area shall provide a written undertaking to waive immunity in cases of liability arising pursuant to paragraph 3.

Regulation 40

Disputes

Disputes concerning the interpretation or application of these regulations shall be settled in accordance with Part XI, section 5, of the Convention.

Notes

[1] A request by a registered pioneer investor for approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement shall be submitted within 36 months of the entry into force of the Convention.

[2] A request by a registered pioneer investor for approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement shall consist of documents, reports and other data submitted to the Preparatory Commission both before and after registration and shall be accompanied by a certificate of compliance, consisting of a factual report describing the status of fulfilment of obligations under the registered pioneer investor regime, issued by the Preparatory Commission in accordance with resolution II, paragraph 11(a). The registered pioneer investor shall, where such information has not already been provided, update the information, using, as far as possible, the provisions of regulation 16 as a guide, and submit its programme of work for the immediate future, including a general assessment of the potential environmental impacts of the proposed activities.

[3] In the case of a request by a registered pioneer investor for approval of a plan of work, the certifying State or States at the time of registration or their successors shall be deemed to be the sponsoring State or States provided such State or States are States Parties to the Convention or are provisional members of the Authority at the time of the request.

[4] A registered pioneer investor requesting approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement shall be considered to have satisfied the financial and technical qualifications necessary for approval of a plan of work.

[5] Such undertaking shall also be provided by a registered pioneer investor requesting approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement.

[6] In the case of a request by a registered pioneer investor for approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement, this regulation shall be implemented in the light of regulation 9.

[7] In the case of a registered pioneer investor requesting approval for a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement, the fee of US$ 250,000 paid pursuant to resolution II, paragraph 7(a), shall be deemed to be the fee referred to under paragraph 1 relating to the exploration phase.

[8] In the case of a request by a registered pioneer investor for approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement, the Secretary-General shall ascertain whether:

(a) the documents, reports and other data submitted to the Preparatory Commission both before and after registration are available;

(b) the certificate of compliance, consisting of a factual report describing the status of fulfilment of obligations under the registered pioneer investor regime, issued by the Preparatory Commission in accordance with resolution II, paragraph 11(a), has been produced;

(c) the registered pioneer investor has updated the information provided in the documents, reports and other data submitted to the Preparatory Commission both before and after registration and has submitted its programme of work for the immediate future, including a general assessment of the potential environmental impacts of the proposed activities; and

(d) the registered pioneer investor has given the undertakings and assurances specified in regulation 12.

If the Secretary-General informs the Commission that the provisions of (a), (b), (c) and (d) have been satisfied by a registered pioneer investor, the Commission shall recommend approval of the plan of work.

[9] In the case of a request by a registered pioneer investor for approval of a plan of work for exploration under paragraph 6(a)(ii) of section 1 of the annex to the Agreement, once the Commission recommends approval of the plan of work and submits its recommendation to the Council, the plan of work shall be considered approved by the Council in accordance with paragraph 6(a)(ii) of section 1 of the annex to the Agreement.

Annex 1

NOTIFICATION OF INTENTION TO ENGAGE IN PROSPECTING

1. Name of prospector:

2. Address of prospector:

3. Postal address (if different from above):

4. Telephone number:

5. Facsimile number:

6. Electronic mail address:

7. Nationality of prospector:

8. If prospector is a juridical person, identify prospector's

   (a) place of registration; and

   (b) principal place of business/domicile.

   and attach a copy of the prospector's certificate of registration.

9. Name of prospector's designated representative:

10. Address of prospector's designated representative (if different from above):

11. Postal address (if different from above):

12. Telephone number:

13. Facsimile number:

14. Electronic mail address:

15. Attach the coordinates of the approximate area or areas in which prospecting is to be conducted (in accordance with the World Geodetic System WGS84).

16. Attach a general description of the prospecting programme including the date of commencement and the approximate duration of the programme.

17. Attach a written undertaking that the prospector will:

/...

(a) comply with the Convention and the relevant rules, regulations and procedures of the Authority concerning:

(i) cooperation in the training programmes in connection with marine scientific research and transfer of technology referred to in articles 143 and 144 of the Convention; and

(ii) protection of the marine environment; and

(b) accept verification by the Authority of compliance therewith.

18. List hereunder all the attachments and annexes to this notification (All data and information should be submitted in hard copy and in a digital format specified by the Authority):

Date: _____

_____
Signature of prospector's designated representative

ATTESTATION:

_____
Signature of person attesting

_____
Name of person attesting

_____
Title of person attesting

Annex 2

APPLICATION FOR APPROVAL OF A PLAN OF WORK FOR EXPLORATION TO OBTAIN A CONTRACT

Section I

Information concerning the applicant

1. Name of applicant:

2. Address of applicant:

3. Postal address (if different from above):

4. Telephone number:

5. Facsimile number:

6. Electronic mail address:

7. Name of applicant's designated representative:

8. Address of applicant's designated representative (if different from above):

9. Postal address (if different from above):

10. Telephone number:

11. Facsimile number:

12. Electronic mail address:

13. If the applicant is a juridical person, identify its

    (a) place of registration; and

    (b) principal place of business/domicile.

    and attach a copy of the applicant's certificate of registration.

14. Identify the sponsoring State or States.

15. In respect of each sponsoring State, provide the following:

(a) the date of deposit of its instrument of ratification of, or accession or succession to, the 1982 United Nations Convention on the Law of the Sea; and

(b) the date of its consent to be bound by the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982, or, if the sponsoring State is a member of the Authority on a provisional basis, a statement to that effect.

16. A certificate of sponsorship issued by the sponsoring State must be attached with this application. If the applicant has more than one nationality, as in the case of a partnership or consortium of entities from more than one State, certificates of sponsorship issued by each of the States involved must be attached.

Section II

Information relating to the area under application

17. Define the boundaries of the area under application by attaching a list of geographical coordinates (in accordance with the World Geodetic System WGS84).

18. Attach a chart (on a scale and projection specified by the Authority) and a list of the coordinates dividing the total area into two parts of equal estimated commercial value.

19. Include in an attachment sufficient information to enable the Council to designate a reserved area based on the estimated commercial value of each part of the area under application. Such attachment must include the data available to the applicant with respect to both parts of the area under application, including:

(a) data on the location and evaluation of the polymetallic nodules in the areas, including:

(i) the results of testing of technologies related to the recovery and processing of polymetallic nodules;

(ii) mapping of physical and geological characteristics such as seabed topography, bathymetry and bottom currents;

(iii) data showing the average density (abundance) of polymetallic nodules in kg/m^2 and an associated abundance map;

(iv) data showing the average elemental content of metals of economic interest (grade) based on chemical assays in (dry) weight per cent and an associated grade map;

(v) combined maps of abundance and grade of polymetallic nodules;

(vi) a calculation based on standard procedures, including statistical analysis, using the data submitted, that the two areas could be expected to contain polymetallic nodules of equal estimated commercial value expressed as recoverable metals in mineable areas;

(vii) data on the characteristics of the area and the techniques used by the applicant.

(b) information concerning environmental parameters (seasonal and during test period) including, inter alia, wind speed and direction, wave height, period and direction, current speed and direction, and biological communities.

20. If the area under application includes any part of a reserved area, attach a list of coordinates of the area which forms part of the reserved area and indicate the applicant's qualifications in accordance with regulation 7 of the Regulations.

Section III

Financial and technical information[1]

21. Attach sufficient information to enable the Council to determine whether the applicant is financially capable of carrying out the proposed plan of work and of fulfilling its financial obligations to the Authority.

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[1] An application for approval of a plan of work for exploration submitted on behalf of a State or entity, or any component of such entity, referred to in resolution II, paragraph 1(a)(ii) or (iii), other than a registered pioneer investor, which has already undertaken substantial activities in the Area prior to the entry into force of the Convention, or its successor in interest, shall be considered to have met the financial and technical qualifications necessary for approval of a plan of work if the sponsoring State or States certify that the applicant has expended an amount equivalent to at least US$ 30 million in research and exploration activities and has expended no less than 10 per cent of that amount in the location, survey and evaluation of the area referred to in the plan of work.

22. If this application is made by the Enterprise, attach confirmation by its competent authority of the availability of funds to meet the estimated costs of the proposed plan of work.

23. Attach copies of the applicant's audited financial statements, including balance sheets and profit-and-loss statements, for the most recent three years; and

(i) if the applicant is a newly organized entity and an audited balance sheet is not available, a pro forma balance sheet certified by an appropriate official of the applicant;

(ii) if the applicant is a subsidiary of another entity, copies of such financial statements of that entity;

(iii) if the applicant is controlled by a State or a state enterprise, a statement from the State or State enterprise that the applicant will have the financial resources to carry out the plan of work.

24. If it is intended to finance the proposed plan of work in whole or in part by borrowings, attach a statement of the amount of such borrowings, the repayment period and the interest rate.

25. Attach sufficient information to enable the Council to determine whether the applicant is technically capable of carrying out the proposed plan of work, including:

(a) a general description of the applicant's previous experience, knowledge, skills and expertise relevant to the proposed plan of work; and

(b) a general description of the equipment and methods expected to be used in carrying out the proposed plan of work and other relevant non-proprietary information about the characteristics of such technology.

Section IV

The programme of work

26. Attach the following information relating to the programme of work for exploration:

(a) a general description and a schedule of the proposed exploration programme including the programme of work for the immediate future such as studies to be undertaken in respect of the environmental, technical, economic and other appropriate factors which must be taken into account in exploration;

(b) a description of a programme for oceanographic and environmental baseline studies in accordance with these regulations and guidelines issued by the Authority which would enable an assessment of the potential environmental impact of the proposed activities;

(c) a schedule of anticipated yearly expenditures in respect of the programme of work for the immediate future.

Section V

Undertakings

27. Attach a written undertaking that the applicant will:

(a) accept as enforceable and comply with the applicable obligations created by the provisions of the Convention and the rules, regulations and procedures of the Authority, the decisions of the organs of the Authority and the terms of its contracts with the Authority;

(b) accept control by the Authority of activities in the Area as authorized by the Convention;

(c) provide the Authority with a written assurance that its obligations under the contract will be fulfilled in good faith.

Section VI

Previous contracts

28. Has the applicant or, in the case of an application by a partnership or consortium of entities in a joint arrangement, any member of the partnership or consortium previously been awarded any contract with the Authority?

29. If the answer to 28 is "yes", the application must include:

(a) the date of the previous contract or contracts;

(b) the dates, reference numbers and titles of any reports submitted to the Authority in connection with the contract or contracts; and

(c) the date of termination of the contract or contracts, if applicable.

Section VII

Attachments

30. List all the attachments and annexes to this application (All data and information should be submitted in hard copy and in a digital format specified by the Authority):

Date:_____

_____
Signature of applicant's designated representative

ATTESTATION:

_____
Signature of person attesting

_____
Name of person attesting

_____
Title of person attesting